GENERAL AGREEMENT

ON TARIFFS AND TRADE

L/7435 28 March 1994 Limited Distribution

(94-0576)

INTERPRETATION OF ARTICLE XXXV

Decision of 23 March 1994

The CONTRACTING PARTIES.

Having regard to the linked provisions of paragraph I of Article XXXV of the General Agreement on Tariffs and Trade;

Noting that by invoking Article XXXV a contracting party on the one hand, or a government acceding to the General Agreement on the other, declines to apply the General Agreement, or alternatively Article II of that Agreement, to the other party;

<u>Desiring</u> to ensure that tariff negotiations between contracting parties and a government acceding to the General Agreement are not inhibited by unwillingness to accept an obligation to apply the General Agreement as a consequence of entry into such negotiations;

Decide as follows:

A contracting party and a government acceding to the General Agreement on Tariffs and Trade may engage in negotiations relating to the establishment of a GATT schedule of concessions by the acceding government without prejudice to the right of either to invoke Article XXXV in respect of the other.